

NOV 27 1989 -4 35 PM

LOAN AGREEMENT

INTERSTATE COMMERCE COMMISSION

This Agreement ("Loan Agreement"), which amends a certain security agreement dated as of November 6, 1989 ("Security Agreement"), is hereby entered into between U.S. Railcar, Inc. ("U.S. Railcar") and Deutsche Credit Corporation ("DCC").

DCC has agreed to loan to U.S. Railcar the principal sum of One Million Two Hundred Eighty-Nine Thousand and 00/100 (\$1,289,000.00) for the purchase of 93 Used 100-Ton Covered Gondola Rail Cars ("Railcars"), as described in Schedule A to the Security Agreement, as well as for the Rule 88 work on the Railcars, as described below. U.S. Railcar has given to DCC its promissory note for the principal sum equal to the loan amount referenced hereinabove ("Promissory Note").

In order to secure payment by U.S. Railcar of all of its obligations under the Promissory Note, and performance by U.S. Railcar of all of its obligations under the Security Agreement, U.S. Railcar grants, and by these presents does hereby grant to DCC, in addition to the other rights and security interests granted under the Security Agreement, a security interest in and to (i) the bill of sale ("the Bill of Sale") from the Pittsburgh and Lake Erie Railroad Company to U.S. Railcar, pursuant to which the Railcars are being conveyed to U.S. Railcar; and (ii) all other documents executed in connection with the Bill of Sale, including, but not limited to, an itemized invoice from the Pittsburgh and Lake Erie Railroad Company which identifies the Railcars by number and sets forth the Railcars' selling price; in addition, U.S. Railcar hereby assigns to DCC any interest it may have in and to a certain Assignment Agreement dated October 14, 1987, between Pittsburgh & Lake Erie Railroad Company and Southern Pacific Transportation Company, Inc.

U.S. Railcar agrees to perform and represents and warrants to DCC that it will perform all Rule 88 work necessary and required to meet all standards imposed by the American Association of Railroads (the "AAR"), will certify its compliance with the standards of the AAR (upon completion of the Rule 88 work), and agrees to indemnify and hold DCC harmless from any losses which may result from a finding of noncompliance by the AAR. U.S. Railcar also agrees, represents and warrants that the Railcars will bear the following legend, to wit:

OWNERSHIP SUBJECT TO A SECURITY AGREEMENT FILED WITH THE
INTERSTATE COMMERCE COMMISSION.

Once the Rule 88 work has been satisfactorily performed, U.S. Railcar intends to lease the Railcars to Southern Pacific Transportation Company, and U.S. Railcar agrees to assign said lease to DCC, free and clear of any and all prior liens and encumbrances of any kind, to secure its obligations under the Promissory Note, and any other obligations now or hereafter owed or owing by U.S. Railcar to DCC.

U.S. Railcar shall file and record the Security Agreement and this Loan Agreement with the Interstate Commerce Commission in accordance with 49 U.S.C. 11303.

Whenever possible, each provision of the Security Agreement and this Loan Agreement shall be interpreted in such a manner as to be effective and valid under applicable law, but if any provision of the Security Agreement and this Loan Agreement shall be prohibited by or invalid under applicable law, such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provisions or the remaining provisions of either the Security Agreement or this Loan Agreement.

The parties hereto shall be entitled to all rights conferred by the provisions of 49 U.S.C. 11303 and such additional rights arising out of the filing, recording, registering or depositing, if any, of the Security Agreement or this Loan Agreement as shall be conferred by the laws of any jurisdiction in which the Security Agreement and this Loan Agreement shall be filed, recorded, registered or deposited.

U.S. Railcar agrees to pay the legal fees, charges for recording of documents, title searches (UCC, ICC and others), if necessary, and Interstate Commerce Commission filing charges in connection with the Security Agreement, this Loan Agreement and all other documents entered into in connection therewith. U.S. Railcar also agrees to pay DCC a documentation fee of \$1,300.00.

The Security Agreement, including this Loan Agreement, may be executed in one or more counterparts, each of which when so executed shall be deemed an original, but all such counterparts shall constitute one and the same instrument.

All other terms, conditions and provisions of the Security Agreement, except as modified herein, shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have executed this Rider to the Security Agreement as of this 6th day of November, 1989.

U.S. RAILCAR, INC.

DEUTSCHE CREDIT CORPORATION

By: [Signature]

By: [Signature]

Title: PRESIDENT

Title: SVP & TREASURER

By: [Signature]

Title: SVP & SECRETARY

SPO:zm
110101.spo

93 44000 Series Cars

Appendix A

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|-------|-------|-------|
| 44000 | 44322 | 44382 |
| 44001 | 44323 | 44384 |
| 44002 | 44325 | 44385 |
| 44003 | 44326 | 44386 |
| 44004 | 44327 | 44387 |
| 44006 | 44329 | 44390 |
| 44007 | 44331 | 44391 |
| 44008 | 44332 | 44392 |
| 44009 | 44334 | 44393 |
| 44010 | 44335 | 44394 |
| 44011 | 44336 | 44396 |
| 44012 | 44337 | 44397 |
| 44013 | 44338 | 44398 |
| 44014 | 44339 | 44399 |
| 44016 | 44342 | 44400 |
| 44017 | 44343 | 44401 |
| 44020 | 44344 | 44402 |
| 44021 | 44348 | 44409 |
| 44022 | 44351 | 44418 |
| 44035 | 44352 | 44419 |
| 44300 | 44353 | 44422 |
| 44301 | 44354 | 44423 |
| 44302 | 44357 | 44424 |
| 44304 | 44358 | |
| 44306 | 44359 | |
| 44307 | 44360 | |
| 44308 | 44361 | |
| 44310 | 44365 | |
| 44312 | 44370 | |
| 44314 | 44371 | |
| 44316 | 44373 | |
| 44317 | 44376 | |
| 44319 | 44377 | |
| 44320 | 44380 | |
| 44321 | 44381 | |

STATE OF ILLINOIS)
) SS.
COUNTY OF LAKE)

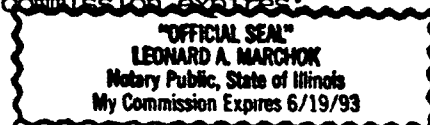
On this 6TH day of NOVEMBER, 1989, before me, the subscriber, LEONARD A. MARCHOK, a Notary Public, duly commissioned, qualified and acting, within and for said Country and State, appeared in person the within named HOMER JONES to me personally known, who stated and acknowledged that he is the PRESIDENT of U.S. Railcar, Inc., an Illinois corporation, and duly authorized by authority of the Board of Directors or By-Laws of said corporation in his capacity as such officer to execute and acknowledge the foregoing instrument for and in the name and on behalf of said corporation and further stated and acknowledged that he has so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said corporation, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 6TH day of NOVEMBER, 1989.

Leonard A. Marchok
Notary Public

My commission expires:

STATE OF ILLINOIS)
) SS.
COUNTY OF LAKE)



On this 8th day of November, 1989, before me, the subscriber, DAVID K. SMRTNIK, a Notary Public, duly commissioned, qualified and acting, within and for said Country and State, appeared in person the within named Robert Schoen and James Poor to me personally known, who stated and acknowledged that they are the Senior Vice Presidents, Secretary and Senior Vice President and Treas. of Deutsche Credit Corporation, a Delaware corporation, and duly authorized by authority of the Board of Directors or By-Laws of said corporation in their capacity as such officers to execute and acknowledge the foregoing instrument for and in the name and on behalf of said corporation and further stated and acknowledged that they have so signed, executed and delivered the foregoing instrument as the free and voluntary act and deed of said corporation, for the consideration, uses and purposes therein mentioned and set forth and desired that the same might be recorded as such.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal this 8th day of November, 1989.

David K. Smrtnik
Notary Public

My commission expires: 5-2-1990

